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SUBJECT: DAM CONSTRUCTION THREATENS TO DISPLACE TENS OF THOUSANDS

¶11. (SBU) Summary: Construction to raise the Roseries Dam in Blue Nile State by ten meters threatens to displace between 21,000 and 73,000 people in Blue Nile State, according to Oxford University researcher Harry Verhoeven. At a September 8 briefing to a small group of UN donors and representatives, Verhoeven stated that government officials have not adequately informed affected residents about the project's impact or set aside funds for compensation. According to Verhoeven, Blue Nile State Governor Malik Ajar opposes the project, and will do all he can to ensure the best deal possible for displaced persons. End Summary.

ROSERIES DAM TO BE RAISED BY 10 METERS

¶12. (U) In 2008, construction began to heighten by ten meters the Roseries Dam in Blue Nile State. The cost of construction is approximately USD 400 million. The higher dam would allow Sudan to store additional water and to use the entire volume of Nile waters allocated to Sudan under the 1959 Nile Agreement.

¶13. (U) The construction project goals include decreasing Sudan's dependence on oil revenue, expanding irrigation to decrease rainfall dependency, and generating electricity. The project is part of a wider hydraulic effort encompassing construction or rehabilitation of up to 10 dams countrywide, many of them along the Nile. The Roseries Dam project is scheduled for completion in late 2010.

HIGHER DAM WILL DISPLACE 21-73,000 PERSONS

¶14. (SBU) New dam construction will flood a large area, displacing between 21,000 and 73,000 people depending on the computer model used, according to Verhoeven, who briefed U.S. and UN staff on September 8. According to Verhoeven, affected populations have not been adequately informed of the impact of the dam construction or compensation for dislocation and lost assets. Verhoeven stated that residents reported attending one community meeting and rapidly registering assets the following day. Officials have not given residents the opportunity to revise asset lists or submit grievances.

¶15. (SBU) Villages affected by the Roseries Dam project house minority populations, including Hausa, Fellata, and Funj. These villages are remote, have high poverty levels, receive limited government services, and are minimally engaged with Blue Nile State authorities. According to Verhoeven, Governor Malik Ajar says that if compensation for the dam project were paid completely, the cost would be greater than the construction cost.

¶ 6. (SBU) In order to accommodate displacements, the Government of National Unity has planned to construct seven towns on the west side of the river and six on the east side. According to Verhoeven, villagers in affected areas expressed concern to him regarding potential grouping with other tribes. According to Verhoeven, some affected people he interviewed stated that if they are not properly involved in the process and compensated, they will switch their loyalty from the National Congress Party (NCP) to the Sudan People's Liberation Movement (SPLM).

¶ 7. (SBU) The Dam Implementation Unit, which reports directly to the President, is responsible for the implementation of dam projects including Roseries. According to Verhoeven, the unit is composed almost exclusively of engineers from within the NCP. Verhoeven further noted that the dam construction project is ignoring environmental considerations, although a UN official attending the briefing challenged this view, mentioning that engineers have engaged in discussions about environmental impacts with key investors including the Chinese and Kuwaitis, and that some western donors are also privy to the environmental plans.

¶ 8. (SBU) In Blue Nile State, Verhoeven said, in addition to plans to move up to 73,000 people for the dam construction, the federal government has plans to move up to 250,000 people to make way for irrigated agricultural land. Malik Ajar, governor of the province, told the researcher that he was completely opposed to the Roseries project, but that he had to "pick his battles." The governor said his strategy will be to try to ensure the best deal possible for the displaced people.

¶ 9. (SBU) Comment: Construction of the Meroe dam in northern Sudan

KHARTOUM 00001045 002 OF 002

prompted violent civil protests over displacement and compensation. The central government has reason to oversee this project with vigilance given the potential for unrest and Blue Nile State's right to popular consultations in connection with the 2011 Referendum on independence for the South. According to a UN participant at the briefing, the worst scenario for the NCP would be for Blue Nile State to choose to separate with the South. Any potential outcome that complicates the implementation of the Nile Water Agreement of 1959, to which Sudan is a signatory, or jeopardizes Sudan's access to water, will be closely watched in Khartoum. End Comment.

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